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COMMISSION

Before the

2016 AUG -9 PM 1:35

FEDERAL ELECTION COMMISSION

In the matter of:

Tyler Erdman, Petitioner

Against

Adam Victor, Transnational Management
Systems LLC, Transnational Management
Systems II LLC, Herman Cain, Friends of
Herman Cain and Roberto Larrinaga

) OFFICE OF GENERAL
) COUNSEL

) MUR No. 7056
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**RESPONSE OF HERMAN CAIN AND FRIENDS OF HERMAN CAIN TO THE
COMPLAINT OF TYLER ERDMAN IN MUR NO. 7056**

AUGUST 5, 2016

**HERMAN CAIN
MARK BLOCK, in his capacity as
Treasurer of Friends of Herman
Cain, Inc.**

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FEDERAL ELECTION COMMISSION

In the matter of:)
)
Tyler Erdman, Petitioner) **MUR No. 7056**
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Against)
)
Adam Victor, Transnational Management)
Systems LLC, Transnational Management)
Systems II LLC, Herman Cain, Friends of)
Herman Cain and Roberto Larrinaga)

**RESPONSE OF HERMAN CAIN AND FRIENDS OF HERMAN CAIN TO
COMPLAINT**

The following response ("Response") is submitted on behalf of Herman Cain and Friends of Herman Cain, Inc. (collectively, "Respondents" or "Named Parties" or "Cain Campaign") with respect to the complaint filed by Tyler Erdman ("Erdman"). As discussed in detail within this Response, the Complaint authored by Erdman against the Named Parties has no basis of fact and upon review of the information contained in the Response, it should be readily apparent to the Federal Election Commission ("FEC" or "Commission") that the factual inferences contained within the Complaint are wrong, that no campaign finance violations have occurred, and that no further inquiry or investigation by the Commission is required. In light of these conclusions and the lack of factual support for the Complaint at issue, the Commission should *refrain from any further investigation associated with MUR 7056 and immediately dismiss the Complaint* as it applies to the Named Parties.

Delay in filing this Response is due to an issue with our Post Office Box address. We discontinued use of our Post Office Box 2158 in favor of our office box. We rarely received

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mail of importance so we did this to preserve campaign funds. We believed that the address had been changed correctly with the FEC.

On July 27, 2016, we received the following envelopes from the FEC in our Post Office Box 278:

Herman Cain	Postmarked May 5, 2016	Complaint
Herman Cain	Postmarked June 24, 2016	Supplemental Complaint
Mark J. Block, Treasurer	Postmarked June 24, 2016	Supplemental Complaint.

We realized at this point the address was not changed correctly with the FEC.

On July 28, 2016 our address was corrected with the FEC.

INTRODUCTION

Relying on nothing more than assumptions without clear evidence, Erdman filed the present Complaint and Supplemental Complaint with the Commission alleging that the Named Parties may have violated the Act in several different fashions. Not coincidentally, Erdman filed another Complaint (MUR #7005) and is helping two (2) plaintiffs who have filed civil suits against Mr. Victor. We are not sure how the information he provides in the Complaint was obtained, but we believe it's the animosity for Mr. Victor that has caused this action. The Cain Campaign has not knowingly done anything to violate FEC Regulations.

STATEMENT OF FACTS and ARGUMENT

A. Herman Cain and the Cain Campaign Did NOT knowingly receive use of a non-commercial airplane at a drastically reduced price constituting an in-kind donation.

Use of a Gulfstream G4 aircraft was offered for use to the Cain Campaign by Adam Victor, who was a principal in Transnational Management Systems LLC and Transnational Management Systems II LLC. At a rate of Five Thousand and no/100's (\$5,000.00) Dollars per day plus fuel

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and airport fees. These aircrafts were managed by Pegasus Elite Aviation, Inc. on behalf of Adam Victor, et al. The Cain Campaign had no reason to question the amount offered nor were they privy to any agreements by and between Adam Victor, Transnational Management Systems LLC, or Transnational Management Systems II LLC and Pegasus Elite Aviation, Inc. as provided by Erdman in the Complaint or Supplemental Complaint. Invoices were supplied and payments were made to Pegasus Elite Aviation, Inc. in the total amount of Five Hundred Sixteen Thousand One Hundred Eight and 01/100's (\$516,108.01) Dollars for the time period between November 11, 2011 and December 6, 2011.

B. Herman Cain and the Cain Campaign Did NOT knowingly receive campaign contributions in the form of money from "straw donors" who were alleged procured by Adam Victor.

The Cain Campaign did receive contributions for the Primary Election from the following:

Adam Victor in the amount of Two Thousand Five Hundred and no/100's (\$2,500.00) Dollars;
Jo-Ayla Victor in the amount of Two Thousand Five Hundred and no/100's (\$2,500.00) Dollars;
Alia Victor in the amount of Two Thousand Five Hundred and no/100's (\$2,500.00) Dollars;
Alexia Victor in the amount of Two Thousand Five Hundred and no/100's (\$2,500.00) Dollars;
Jo-Ann Victor in the amount of Two Thousand Five Hundred and no/100's (\$2,500.00) Dollars;
Adam Victor, Jr. in the amount of Two Thousand Five Hundred and no/100's (\$2,500.00) Dollars;
Marta Dani in the amount of Two Thousand Five Hundred and no/100's (\$2,500.00) Dollars; and
Nana Yoskioka in the amount of Two Thousand Five Hundred and no/100'S (\$2,500.00) Dollars.

The Cain Campaign had no reason to question the authenticity of the contributions.

C. Herman Cain and the Cain Campaign Did NOT fail to make full disclosure of all required information for contributions received from the above named parties.

At the time the above referenced checks were received by the Cain Campaign, we did not receive the FEC required information. Per the email provided by Erdman, in the Supplemental Complaint, Brenda Hicks of the Cain Campaign, requested the contact information for JoAnne (Victor) or someone who could help (her) with the individual contribution checks from Garry Coulter. Coulter responded to Hicks that Adam (Victor) would have his staff put it together for her. November 23, 2011 Hicks sent a spreadsheet to be completed.

The information provided to the FEC was the information that was provided to Hicks. The Cain Campaign had no reason to question the authenticity of the contributions.

CONCLUSION

As the information contained within this Response clearly sets forth, the Named Parties have done nothing to violate FEC Regulations. As a result, the Commission should summarily dismiss the Complaint against the Named Parties and find that there is no reason to believe that such Parties have violated the Act or its accompanying regulations.

Respectfully Submitted,



Mark J. Block, Treasurer
FRIENDS OF HERMAN CAIN, INC.
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(262) 617-2716
Committee #C00496067